

US EPA ARCHIVE DOCUMENT

MODIFICATIONS IN SERIOUS/SEVERE OZONE NONATTAINMENT AREAS

The new Special Modification provisions of sections 182(c)(6), (7) & (8) of the Clean Air Act as amended in 1990 may apply in Serious and Severe Ozone Nonattainment Areas to modifications at major stationary sources of volatile organic compounds and nitrogen oxides. As part of an upcoming rulemaking, EPA will propose changes to its nonattainment NSR rules to codify these special modification provisions. At EPA's FACA meeting on July 23, 1993, EPA distributed the following information on the special modification provisions. NOTE: THE DRAFT OPTION IS A PRELIMINARY STAFF OUTLINE EPA IS EVALUATING IN PREPARATION OF A PROPOSED RULEMAKING. THE INTERPRETATION IS NOT EPA GUIDANCE OR POLICY ON THE ISSUE. The EPA is evaluating several options for implementing the special provisions and requests input and suggestions from the public and other interested parties on the issues. Send your comments by Aug. 16, 1993 to Mike Sewell, U.S. EPA, MD-15, New Source Review Section, RTP, N.C. 27711

MODIFICATIONS IN SERIOUS/SEVERE OZONE NONATTAINMENT AREAS

INTRODUCTION

- The amended Act at Sections 182(c)(6),(7) & (8) (copy attached) contains special provisions for applying nonattainment NSR to modifications at existing major stationary sources of volatile organic compounds (VOC), and presumptively NO_x, located in Serious or Severe ozone nonattainment areas.
- In our upcoming Part C/D NSR rulemaking proposal, EPA intends to codify these new special provisions in the revised nonattainment NSR rules.
- EPA is evaluating several options for implementing the special provisions and requests input and suggestions from the FACA representatives on the issues. Send your comments by Aug. 16, 1993 to Mike Sewell, U.S. EPA, MD-15, New Source Review Section, RTP, N.C. 27711.

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IMPLEMENTATION OPTION FOR EVALUATION

STEP I "Increase in Net Emissions " from the Proposed Modification

- The special provisions apply to proposed modifications that result in an "increase in net emissions". The "de minimis" emissions rate specified in (c)(6) for determining NSR applicability is 25 tpy.
- The "increase in net emissions" calculation for a proposed modification includes contemporaneous decreases that are part of the proposed modification.
 - For such net increases of 25 tpy or less, the special aggregation provisions of (c)(6) apply.
 - For such net increases over 25 tpy, the special provisions of either (c)(7) or (c)(8) apply.
- The special provisions of either (c)(7) or (c)(8) apply to any discrete emissions unit(s) with an "increase in net emissions" over 25 tpy, regardless of other decreases at the source. For such units, the new aggregation provisions of (c)(6) do not apply.

STEP II Special Aggregation Provisions of (c)(6)

- The aggregation provisions apply to proposed modifications with an "increase in net emissions" of 25 tpy or less.
- To determine if the proposed modification is above the "de minimis" cutoff, aggregate the "increase in net emissions" from the proposed modification with all other "net increases" at the source over any period of 5 consecutive calendar years which includes the calendar year in which such increase occurred.
 - Previous net decreases would not count here, but may be creditable as internal offsets when applying (c)(7) or (c)(8).

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- If the aggregated net increase is over 25 tpy, the special provisions of either (c)(7) or (c)(8) apply.
- The provisions of (c)(7) apply to existing major stationary sources emitting <100 tpy and the provisions of (c)(8) apply to existing major stationary sources emitting ≥100 tpy.

STEP III "Modifications At Existing Sources Emitting <100 TPY"

- Section (c)(7) allows BACT instead of LAER.
- The proposed modification (or discrete units that are part of the modification) avoid nonattainment NSR if the emissions increase is offset internally at a ratio of at least 1.3:1.

STEP IV "Modifications At Existing Sources Emitting ≥ 100 TPY"

- Section (c)(8) requires nonattainment NSR for the proposed modification.
- As a source option, proposed modifications (or discrete units that are part of the modification) may be exempt from LAER if the emissions increase is offset internally at a ratio of at least 1.3:1.
 - This optional exemption is only for LAER, the remaining nonattainment NSR requirements still apply.
 - General NSR offsets should be obtained in addition to the internal offsets.

Clean Air Act as Amended (1990)

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Sections 182(c)(6), (7) & (8)

(6) De minimis Rule -- The new source review provisions under this part shall ensure that increased emissions of volatile organic compounds resulting from any physical change in, or change in the method of operation of, a stationary source located in the area shall not be considered de minimis for purposes of determining the applicability of the permit requirements established by this Act unless the increase in net emissions of such air pollutant from such source does not exceed 25 tons when aggregated with all other net increases in emissions from the source over any period of 5 consecutive calendar years which includes the calendar year in which such increase occurred.

(7) Special Rule for Modifications of Sources Emitting Less than 100 Tons -- In the case of any major stationary source of volatile organic compounds located in the area (other than a source which emits or has the potential to emit 100 tons or more of volatile organic compounds per year), whenever any change (as described in section 111(a)(4)) at that source results in any increase (other than a de minimis increase) in emissions of volatile organic compounds from any discrete operation, unit, or other pollutant emitting activity at the source, such increase shall be considered a modification for purposes of section 172(c)(5) and section 173(a), except that such increase shall not be considered a modification for such purposes if the owner or operator of the source elects to offset the increase by a greater reduction in emissions of volatile organic compounds concerned from other operations, units, or activities within the source at an internal offset ratio of at least 1.3 to 1. If the owner or operator does not make such election, such change shall be considered a modification for such purposes, but in applying section 173(a)(2) in the case of any such modification, the best available control technology (BACT), as defined in section 169, shall be substituted for the lowest achievable emission rate (LAER). The Administrator shall establish and publish policies and procedures for implementing the provisions of this paragraph.

(8) Special Rule for Modifications of Sources Emitting 100 Tons or More -- In the case of any major stationary source of volatile organic compounds located in the area which emits or has the potential to emit 100 tons or more of volatile organic compounds per year, whenever any change (as described in

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section 111(a)(4)) at that source results in any increase (other than a de minimis increase) in emissions of volatile organic compounds from any discrete operation, unit, or other pollutant emitting activity at the source, such increase shall be considered a modification for purposes of section 172(c)(5) and section 173(a), except that if the owner or operator of the source elects to offset the increase by a greater reduction in emissions of volatile organic compounds from other operations, units, or activities within the source at an internal offset ratio of at least 1.3 to 1, the requirements of section 173(a)(2) (concerning the lowest achievable emission rate (LAER)) shall not apply.